



FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	:	HAV/24UM/MNR/2026/0087
Property	:	Flat 1 Compass Point, 450 Romsey Road, Southampton, Hampshire, SO16 4JD
Tenant	:	Sumaila Bibi
Tenant's Representative	:	
Landlord	:	BMR Compass Ltd
Landlord's Address	:	Unit 8 Edge Business Centre, Humber Road, London, NW2 6EW
Landlord's Representative	:	Leaders
Type of Application	:	Section 13 Housing Act 1988 – determination of market rent
Tribunal Members	:	Tribunal Judge Bowden Tribunal Member Mr C Davies FRICS
Date of Decision	:	31 July 2026
Rent Determined	:	£850 pcm
Date the new rent takes effect	:	12 April 2026

REASONS FOR THE DECISION

Background

1. On 03 March 2026, the Landlord served a notice under Section 13(2) of the Housing Act 1988 which proposed a new rent of £975 in place of the

existing rent of £ 874.50 per calendar month (pcm) to take effect from 12 April 2026.

2. On 24 March 2026, under Section 13(4)(a) of the Housing Act 1988, the Tenant referred the Landlord's notice proposing a new rent to the Tribunal for determination of a market rent.
3. The Tenant's referral was received by the Tribunal on 24 March 2026.
4. The assured shorthold tenancy commenced on 12 December 2023 for a term of 12 months with a rent price of £795; by way of a supplemental agreement dated 30 October 2024 the fixed term was extended until 11 December 2025, and the rent increased to £874.50 pcm. The tenancy has continued as a monthly rolling periodic tenancy.

The Law - Jurisdiction

5. The Tribunal directs itself that:
 - a. The Landlord may serve a notice on the tenant in the prescribed form proposing a new rent: section 13(2), Housing Act 1988;
 - b. The new rent is to take effect not earlier than the minimum period after the date of service of the notice: section 13(2)(a), Housing Act 1988;
6. The starting date for the proposed new rent must not be earlier than 52 weeks after the date on which the rent was last increased using this statutory notice procedure or, if the tenancy is new, the date on which it started, **unless** that would result in an increase date falling one week or more before the anniversary of the date in paragraph 3 of the notice, in which case the starting date must not be earlier than 53 weeks from the date on which the rent was last increased.
 - a. The minimum period is the six months in the case of a yearly tenancy; one month in the case of a tenancy where the period is less than a month; and in any other case, a period equal to the period of the tenancy: section 13(3), Housing Act 1988;
 - b. A notice must be in the prescribed form or a form substantially to the same effect, such that it serves its statutory purpose, notwithstanding any errors or omissions: *Ravenseft Properties Ltd v Hall* [2001] EWCA Civ 2034; [2002] HLR 33.
 - c. The question for the Tribunal is whether, read in its context, the notice was sufficiently clear to leave a reasonable recipient in no reasonable doubt as to its terms: *Mannai Investment Co Ltd v Eagle Star Life Assurance Co Ltd* [1997] AC 749

The Law – Valuation

7. Section 14 of the 1988 Act sets out the valuation principles to be adopted by the Tribunal when determining the rent.

14 – (1) Where, under subsection (4)(a) of section 13 above, a tenant refers to a FTT a notice under subsection (2) of that section, the tribunal shall determine the rent at which, subject to subsections (2) and (4) below, the tribunal considers that the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy –

- (a) which is a periodic tenancy having the same periods as those of the tenancy to which the notice relates;*
- (b) which begins at the beginning of the new period specified in the notice;*
- (c) the terms of which (other than relating to the amount of the rent) are the same as those of the tenancy to which the notice relates; and*
- (d) in respect of which the same notices, if any, have been given under any of Grounds 1 to 5 of Schedule 2 to this Act, as have been given (or have effect as if given) in relation to the tenancy to which the notice relates.*

(2) In making a determination under this section, there shall be disregarded –

- (a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant,*
- (b) any increase in the value of the dwelling-house attributable to a relevant improvement carried out by a person who at the time it was carried out was the tenant, if the improvement –*
 - (i) was carried out otherwise than in pursuance of an obligation to his immediate landlord, or*
 - (ii) was carried out pursuant to an obligation to his immediate landlord being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement; and*
- (c) any reduction in the value of the dwelling-house attributable to a failure by the tenant to comply with any terms of the tenancy.*

Allocation of Repairs between Landlord and Tenant.

8. As per section 11 of the Landlord and Tenant Act 1985.

Service Charges or furniture provided by Landlord (other than carpets, curtains, and white goods specified below) and the costs relating to them

9. There are no service charges payable by the Tenant.
10. There was no furniture included.
11. The only additional cost charged to the Tenant is £42 pcm for the no-deposit scheme monthly payment.

Liability for Council Tax

12. The Tenant is responsible for the payment of Council Tax in respect of the Property. The rent determined is exclusive of Council Tax.

Any other terms of the tenancy taken into consideration in determining the rent

13. There were no other terms in the tenancy agreement relevant to market rent determination.

Inspection/Hearing

14. There was no inspection. The Tenants on Form Rents 1 indicated that they did not think an inspection was required. The Landlord did not reply.
15. Neither party requested an oral hearing.
16. The Tribunal was satisfied that it could consider this case on the basis of the papers provided by the parties.

The Property

17. The Property is a ground floor studio. The kitchen/living area is open plan, and there is no separate sleeping area. There is wooden flooring throughout, save for the bathroom, which is tiled. The Property is double-glazed. There is a fitted kitchen with integrated appliances. The bathroom has a shower, sink and toilet. There is a utility cupboard for storage.
18. The Tenant provided photographs of the Property.

Evidence

19. The Tribunal has considered all the documents and written submissions provided by the Tenant.
20. The Tenant completed the relevant Tribunal forms; the Landlord did not reply.

The Tenant

21. The Tenant via the Rents Form 1A made the following comments
 - a. There is no dividing wall creating a private/more private sleeping area.
 - b. The Property is located directly by the main entrance and right next to the post room and opposite the lift, resulting in regular noise disturbance from lift speaker volume and frequent door banging and people walking past the flat door and outside window.
22. In terms of rental evidence, the Tenant had provided property letting details for several properties. The Tribunal did not treat the 1-bed properties as comparable, but did note that 1-bed properties in Compass Point are being advertised by Leaders (Landlord's agent) for £925/£950 and the proposed rent for the Property in this case was £975 for a studio.

Studio – Paignton Road - £800 pcm

Studio – High Road - £850 pcm

23. The Tenant also provided copies of a WhatsApp conversation with the occupant of Flat 13. Flat 13 is a larger studio (floor plan provided), and one that benefitted from a private/more private sleeping area as there was a partition wall. The rent was reported to be £900 pcm.

The Landlord

24. The Landlord did not reply.

Determination and Valuation

25. Relying on its own expertise and general knowledge of rental values in the area, and the comparables provided by the Tenant, the Tribunal considers that the market rental of the subject Property, modernised and in good order, would be in the order of £850 pcm. This is the rent we would expect the property to let for in the open market if it was in the same general condition as the comparable properties of similar size, layout and location within a building exposing it to noise.

26. From this level of rent, the Tribunal made no further adjustments as it was satisfied that the property was modernised and in good order.

Undue hardship

27. The new rent takes effect from the date specified in the Landlord's Notice of Increase unless that would cause undue hardship to the tenant. In cases of undue hardship, the Tribunal has a discretion to fix a later starting date up to the date a Tribunal makes its determination.

28. The tenant gave the following details:

The proposed increase to £975 would place financial strain on me and would be difficult to manage alongside my current living costs, including rent, bills and essential expenses. I am currently not in employment following redundancy and am receiving Universal Credit, so my income is limited. An increase of this level would make the property significantly less affordable and difficult to sustain.

29. The Landlord did not respond at all.
30. As the market rent has been assessed lower than the current rent, the hardship argument falls away.

Decision

31. Therefore, the Tribunal determines the market rent payable for the subject property at £850 per calendar month with effect from 12 April 2026.

Name: Tribunal Judge Bowden

Date: 31 July 2026

APPEAL PROVISIONS

If either party is dissatisfied with this decision, they may apply for permission to appeal to the Upper Tribunal (Lands Chamber) on any point of law arising from this Decision. Prior to making such an appeal, an application must be made, in writing, to this Tribunal for permission to appeal. Any such application must be made within 28 days of the issue of this statement of reasons

(regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013) stating the grounds upon which it is intended to rely in the appeal.